

DOCUMENT RESUME

ED 339 825

CE 059 698

AUTHOR Gregory, Vikki
TITLE Making Ends Meet: Midlife and Older Women's Search for Economic Self-Sufficiency through Job Training and Employment.
INSTITUTION Older Women's League, Washington, DC.
SPONS AGENCY Florence V. Burden Foundation, New York, N.Y.
PUB DATE 90
NOTE 43p.
PUB TYPE Information Analyses (070)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Basic Skills; Career Counseling; Change Strategies; Cooperative Programs; Coordination; Cultural Awareness; Data Collection; Economically Disadvantaged; Economic Factors; *Employed Women; Equal Opportunities (Jobs); Federal Legislation; *Federal Programs; Financial Support; *Independent Living; Job Skills; *Job Training; Labor Force; Labor Market; *Middle Aged Adults; *Older Adults; Self Esteem; Services; Sex Discrimination; Vocational Followup

IDENTIFIERS Carl D Perkins Vocational Education Act 1984; Job Training Partnership Act 1982; Older Americans Act 1965 Title V

ABSTRACT

Midlife and older women are at an economic disadvantage relative to their male counterparts and younger women. Older women should be served by the nation's employment, training, and vocational programs. Interviews with participants and operators of employment and training programs identified six program components needed to serve older women: (1) esteem building and career information; (2) education and basic skills; (3) occupational skills training; (4) support services; (5) follow-up assistance; and (6) targeted funding. Participation by these women in three federal programs was examined: the Job Training Partnership Act, the Carl D. Perkins Vocational Education Act, and Section 502(e) of Title V of the Older Americans Act. None of the three federal programs regularly provides all six components. Six policy recommendations would improve job training and employment programs: adequate funding, language targeting older women, better coordination, support services, a universal data collection system, and federal leadership in knowledge exchange. Present and proposed federal provisions that support older women's economic self-sufficiency through employment should be reviewed by policymakers, administrators, and advocates to formulate strategies. (Endnotes and summary descriptions of the three federal programs are included.) (NLA)

* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *

OLDER WOMEN'S LEAGUE

MAKING ENDS MEET:

MIDLIFE AND OLDER WOMEN'S SEARCH FOR ECONOMIC SELF-SUFFICIENCY THROUGH JOB TRAINING AND EMPLOYMENT

Written by

Vikki Gregory

Edited by

Fran Rothstein and Laura Loeb

Older Women's League

730 Eleventh Street, N.W., Suite 300

Washington, D.C. 20001

The Older Women's League (OWL) is a national non-profit membership organization that addresses the special concerns of midlife and older women. OWL's goals are to achieve economic and social equity for midlife and older women, to improve their image and status, and to provide mutual support for its members.

This publication was made possible thanks to the grant awarded by the Florence V. Burden Foundation to OWL.

Special thanks for reviewing a draft of this report to: Barbara Greenberg, Florence V. Burden Foundation; Jill Miller, Displaced Homemakers Network; Cindy Marano, Wider Opportunities for Women; Joyce Welsh, National Council on the Aging; Janet Zobel, National Urban League; Julie Quiroz, National Council of La Raza; Ann Lordeman, National Association of State Units on Aging; Fernando Alegria, National Governor's Association; Cal George, National Committee for Full Employment; Alina Walker, U.S. Department of Labor; Tom Lindsley, National Alliance of Business, and Kay Albright, National Commission for Employment Policy.

Also a special thanks for their helpful insight to: Jeanne Sher, Older Women's League Employment Resource Center; E. Belle Larson, Project SOAR, and Joanne Phalan, Displaced Homemakers Network Center for New Directions.

Copyright 1990 by the Older Women's League

MAKING ENDS MEET:
MIDLIFE AND OLDER WOMEN'S SEARCH FOR ECONOMIC SELF-SUFFICIENCY
THROUGH JOB TRAINING AND EMPLOYMENT

EXECUTIVE SUMMARY

Midlife and older women are at an economic disadvantage relative to men of the same age and younger women. Yet the aging of the workforce, the predicted labor shortage, and the need for these women to support themselves all make it imperative to examine how well midlife and older women are served by the nation's employment, training, and vocational programs. This report reviews the degree and the outcomes of participation by midlife and older women in three federal programs: the Job Training Partnership Act, the Carl D. Perkins Vocational Education Act, and the experimental projects authorized by Section 502(e) of Title V of the Older Americans Act.

Based on the experience of the Older Women's League and interviews with participants and operators of employment and training programs, six program components were found to be particularly necessary to adequately serve midlife and older women: esteem-building and accurate career information, education and basic skills, occupational skills training, support services, follow-up assistance, and targeted funding. While some of the three federal programs emphasize one or more of the components, none of the programs regularly provides all six.

The following policy recommendations would help improve the quality of service that federal job training and employment programs offer midlife and older women:

Adequate Funding

1. All programs should be funded at a level adequate to allow them to provide each of the six critical program components and to serve a reasonable percentage of the eligible population.
2. States should be encouraged to fully expend their allocations under JTPA and to use both annual allocations and carryover funds from previous years to expand their services to midlife and older women.

Language Specifically Targeting Midlife and Older Women

3. Language should be included in all three statutes which specifically identifies midlife and older women as a target population.

Better Coordination

4. The 502(e) experimental projects' income eligibility level of up to the intermediate income as reported in the Bureau of Labor Statistics (BLS) Retired Couples Budget (150-165 percent of poverty) should be used as a universal income eligibility level for all federal training and employment programs serving midlife and older women.

5. The Departments of Labor and Education should encourage joint outreach, recruitment, and cross enrollment among the three programs to enable midlife and older women to obtain the six program components they need to become economically self-sufficient.

Support Services

6. Each of the programs should strongly encourage the provision of support services such as dependent care, counseling, remediation assistance, and esteem-building, prior to enrollment in occupational training, during enrollment, and for some period after program completion.

Data Collection

7. A universal data collection system should be implemented, providing cross-tabulated data at least by gender, race, age, and physical handicap. Programs should collect adequate data to answer the following questions: Who was served? What services did they receive? Did program participation make a difference economically?

Federal Leadership in Knowledge Exchange

8. Over the last twenty years, the employment and training community has developed and tested many models of how to serve midlife and older women. The federal government could increase the effectiveness of the employment

and training system by promoting knowledge exchange between those who are experienced in operating successful programs for midlife and older women and those with the desire to run such programs.

9. The Secretary of Education should immediately take steps to implement the Model Centers for Vocational Education for Older Individuals, authorized by the Perkins Act but never funded.

There has never been a better time to review the federal provisions that support midlife and older women in their quest for economic self-sufficiency through employment. Amendments are currently being considered for JTPA and reauthorization of Perkins is scheduled for 1990. The Older Americans Act is scheduled for reauthorization in 1991. This report provides information for policymakers, administrators, and advocates to assess proposed amendments to the statutes relative to midlife and older women's employment and economic needs and to formulate strategies to ensure that the programs effectively meet those needs.

MAKING ENDS MEET:

MIDLIFE AND OLDER WOMEN'S SEARCH FOR ECONOMIC SELF-SUFFICIENCY
THROUGH JOB TRAINING AND EMPLOYMENT

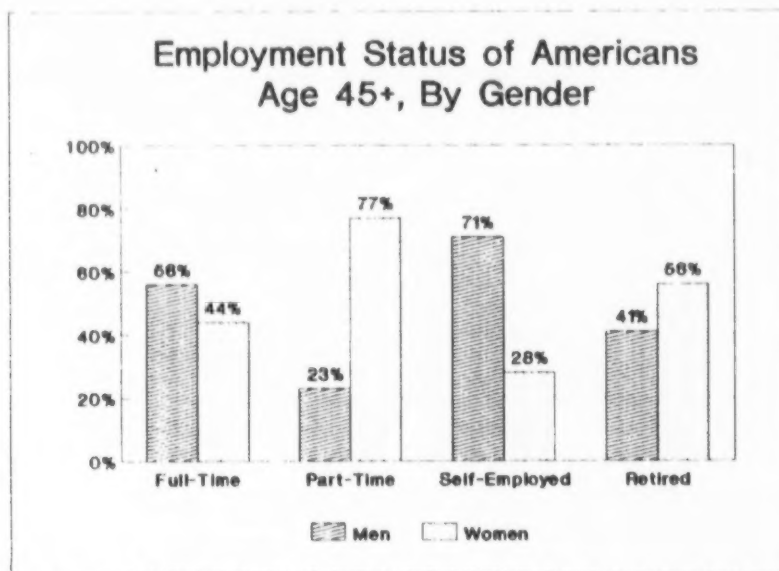
I. INTRODUCTION

Most women have lower incomes, less marketable work experience, and less access to retirement income than their male counterparts. For these reasons, women make up the majority of participants in means-tested job training and employment programs. This report analyzes how well three federal programs -- the Job Training Partnership Act (JTPA), the Carl D. Perkins Vocational Education Act (Perkins), and the 502(e) experimental projects authorized by Title V of the Older Americans Act (502(e)) -- respond to the specific needs of midlife and older women.¹ (Descriptions of these three programs are contained in the Appendix.)

There has never been a better time to revise the federal provisions that support midlife and older women in their quest for economic self-sufficiency through employment. Policymakers, advocates, and administrators will consider amendments to JTPA and reauthorization of Perkins in 1990; reauthorization of the Older Americans Act is scheduled for 1991. This report provides the information they need to evaluate the impact of these programs on midlife and older women, to assess proposed amendments to the statutes, and to formulate strategies to ensure that the programs effectively meet the employment and economic needs of midlife and older women.

II. MIDLIFE AND OLDER WOMEN'S EMPLOYMENT STATUS

There are more than 23 million midlife women age 45 to 64, and 17 million older women age 65 and over.² More than 14 million of these midlife and older women are in the paid labor force, and they comprise one-fourth of all female workers.³ Nearly two-thirds of women 45 to 54 years of age work in the paid labor force, as do 42 percent of those age 55 to 64 and seven percent of those 65 and over.⁴

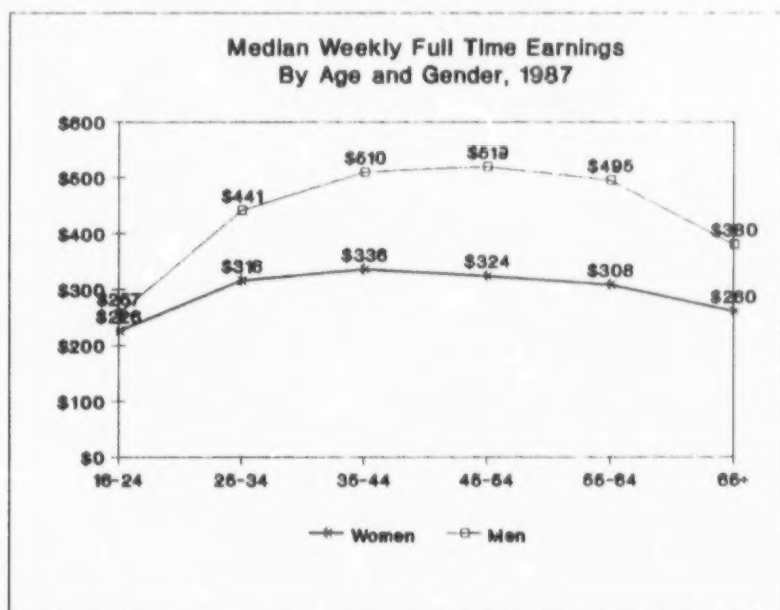


Women are significantly over-represented among part-time workers. Whereas only 10 percent of men over 45 are part-time workers, the corresponding figure for women is 27 percent.⁵ Among workers 65+, 46 percent of men and 59 percent of women are part-time workers.⁶

While the labor force participation rate for men aged 45 and over is decreasing, the rate for their female counterparts is increasing.⁷ There is good reason: Rising divorce rates and women's greater longevity means that the older women are, the

more likely it is that they have sole responsibility for their own support and that of any dependents as well. Only half as many older women as older men receive pension income (23.5 percent of women as compared to 46 percent of men), and women's pensions averaged only \$394 per month as compared to \$659 for men in 1987.⁸ For this and other reasons, the number of working women aged 45 and over is expected to increase by 50 percent by the year 2000.⁹

Women's increased labor force participation rates have had little effect on the wage gap between men and women. Throughout their work lives, women earn less than men, and the wage gap widens with age. In 1986, women aged 45 to 54 had median incomes that were 37 percent of men's in that age category; women aged 55 to 64 had median incomes that were 35 percent of men's in the comparable age category. In addition, women reach their earnings peak a good 10 years earlier than men (between ages 35 and 44 as compared with the 45-54 age range for men.)¹⁰



Because of women's lower lifetime earnings and lack of access to pensions, 70 percent of unmarried older women rely on Social Security as their primary source of retirement income.¹¹

Midlife and older women's wage disadvantage is compounded by their high vulnerability to involuntary dismissal. Women -- and minority women in particular -- are more likely than men to experience job loss and lengthy periods of unemployment as they age. Moreover, the duration of unemployment increases with age.¹²

III. JOB TRAINING AND EMPLOYMENT NEEDS

The economic condition of midlife and older women will not improve measurably without intervention. Midlife and older women will be an increasingly important segment of the labor force in the years to come, but they will be prepared to participate effectively only if they have access to specialized employment assistance, vocational training and support services.

For example: In Arizona, a widow in her early 60s called a local JTPA Three Percent program -- a program specifically set up to assist older workers. As a homemaker, this woman had not worked outside the home in almost 40 years. Now she was poor and met the income criteria for JTPA. The problem was that when she came in to fill out the intake forms, she was frightened and intimidated. At one point, this program had designated a worker to help applicants fill out forms; funding cuts for this local Three Percent pro-

gram forced the program to eliminate that service. The widow left without completing the forms and has not returned.

The job training and vocational education systems must have at least six program components if midlife and older women are to succeed in the future labor market:

- o **Esteem-building and accurate career information.** Many midlife and older women need help understanding and preparing for the new work world. Many lack the confidence they need to reenter the labor market after a hiatus, or need to upgrade their skills to secure nontraditional or higher paying jobs. Even those enrolled in vocational or technical institutions often need guidance on the range of available jobs and how to get them. In particular, midlife and older women need an understanding of the economics of various career choices; then, they need the encouragement and support to choose nontraditional, technical, and other higher-paid careers.
- o **Education and basic skills.** The completion of high school is one of the single most powerful predictors of labor market success. Yet many mature women lack the requisite basic skills needed to take advantage of either entry level or advanced skills training. Older women have low rates of high school completion, with the problem particularly acute among older minorities. Yet experts estimate that an estimated three-quarters of jobs in the next decade will require some post-secondary education.¹³

Older women (55 and above) are less likely to have completed high school than either their male counterparts or younger women.¹⁴ Despite this labor market disadvantage, older women demonstrate a desire for continued learning. In the year ending May 1984, 23.3 million persons over 17 years of age had taken one or more adult education courses: nearly 900,000 (four percent) were 65 or older, and 2.7 million (12 percent) were 55 or older.

- o **Occupational skills training.** The occupations of the future will require higher skills levels.¹⁵ Women who participate in training programs continue to be trained and placed in predominantly female occupations which pay less and often have fewer benefits than occupations entered by males. For older women reentering the labor market, skills obsolescence is a critical issue. These

women are in need of occupational skills training to upgrade and refine their skills so that they are competitive in the labor market of the future.

- o **Support services.** In 1988, 40 percent of female householders who were responsible for the support of dependent children were over 45 years of age. Many others are also responsible for the care of adult dependents. Some of these women are caught in the middle, caring for children and aging relatives simultaneously. For these women to succeed in the labor market, they need affordable dependent care. Transportation assistance, health care, counseling, and other services are also necessary for many midlife and older women seeking to enter the labor force.
- o **Follow-up assistance.** Many women who are returning to the labor market after a long absence need support services in their early months on the job. Dealing with new work situations, managing dependent care, juggling finances to pay for work-related expenses, and fending off continued assaults on their self-confidence can threaten their new-found self-sufficiency. Continued access to counseling and other services can improve their job retention rates.
- o **Targeted funding.** Midlife and older women need specific services to enable them to move into productive jobs at decent pay. The federal job training system's emphasis on short-term program enrollment and job placement is inappropriate for this population. Career exploration, counseling, and confidence-building, for example, may be the most effective first step toward self-sufficiency for a midlife or older woman. Next, that woman may need further education, skills building, or other assistance before she is ready to work. JTPA, Perkins and 502(e) each offer some of the six program components critical to midlife and older women, but none of those programs routinely provides all of them. The lack of strong statutory and regulatory language making midlife and older women a target group relegates special services to that population to local program operators' discretion. Flexible funds specifically targeted to meet midlife and older women's needs would represent an investment of a small amount of resources in people who are eager to learn and work, and who are valued by employers.

For example: A local JTPA Three Percent program in Minnesota finds it difficult to adequately train displaced homemakers. These women have been out of the workforce for awhile and need extra training. However,

there are not enough funds to provide this additional assistance. Instead, many of these women are placed in dead-end low-paying jobs with no benefits.

IV. PARTICIPATION IN FEDERAL TRAINING AND EMPLOYMENT PROGRAMS

Most of the midlife and older people who are income-eligible for federal job training and employment programs are women. Nearly one of every eight midlife and older women (approximately five million) have incomes that fall below the poverty line. When the "near poor" (those with incomes between 100 percent and 149 percent of the poverty level) are also included, that figure rises dramatically to include four in every ten (41 percent) midlife and older women.¹⁶

Most people eligible for federal job training and employment programs are denied the benefits of those programs. For example, JTPA, as a whole, serves only an estimated four percent of eligible persons,¹⁷ and only one percent of those eligible for Title V are enrolled in that program.¹⁸ JTPA, Perkins and Title V are valuable programs with the potential to help midlife and older women achieve economic self-sufficiency through unsubsidized employment, but they need more federal funding and the funds need to be used more effectively to meet midlife and older women's employment needs.

Policymakers need to explicitly acknowledge that job training and employment programs for low income older people are, predominately, programs for older women. Older women's needs should be the paramount factor in designing those programs. This

is especially important given that women's participation in these programs is likely to increase. The high male-female wage gap for persons over 55, the rising divorce rate among older women, and the lack of significant improvement in survivor benefits mean that increasing numbers of older women will have incomes low enough to qualify for the assistance these programs offer.

Among the three programs, the most useful enrollment data are available for JTPA. Although the majority (53 percent) of adult JTPA participants are women, midlife and older women are underrepresented in those parts of JTPA which emphasize training and permanent job placement (e.g., Titles IIA and III). In its 1988 study of 5,500 adult participants enrolled in Title IIA programs in 63 service delivery areas, the U.S. General Accounting Office found that the average age of enrollees was 30.

Although the JTPA statute does not specifically target adult training by age (with the exception of the three percent program for older workers), several factors conspire to encourage local JTPA programs to serve younger women. A survey of women's centers providing JTPA services found many providers reluctant to enroll individuals with multiple needs, such as midlife and older women.¹⁹ This reluctance was attributed to state and locally-imposed pressures, including a scarcity of support services, shortened training periods, and the need to keep the cost per participant very low.²⁰ These factors encourage service providers to enroll younger women. Recipients of Aid to Families with Dependent Children, comprised mainly of younger women, are viewed by service providers as especially desirable program participants

because their welfare payments and associated support systems can be used to subsidize and fill in service gaps in the JTPA system.

Only nine percent (or 51,900) of all JTPA adult participants were age 45 and over in a recent nine-month reporting period.²¹ Among that nine percent of participants 45 and older, women were well represented: They made up 61 percent of IIA participants and 49.1 percent of participants in Title III programs. In the JTPA three percent older worker program, in which all participants must be 55 years of age or older, women made up 61 percent of participants;²² however, most local Three Percent programs emphasize job search techniques more than skills training.²³

During that same period, over 90,100 individuals were enrolled in JTPA Title III programs for dislocated workers. Midlife and older workers are somewhat better represented in Title III than in Title IIA programs. In Title III, 27.5 percent of all participants between July 1988 and March 1989 were over 45 years of age. Within this group, almost half (49.1 percent) of the enrollees were midlife and older women.²⁴

Service Levels in the 502(e) Experimental Projects

In 1983, Congress authorized the 502(e) experimental projects as part of Title V of the Older Americans Act. Title V sponsors may operate these projects on a voluntary basis. In contrast to the larger Title V program, the 502(e) program emphasizes training, placement in private sector jobs, and higher (i.e., above-minimum wage) wages. Since its inception, eight national sponsors and 11 states have at one time or another

conducted some 219 experimental projects. Only three national sponsors and two states have conducted experimental projects in every year since the beginning of the 502(e) program.

Nearly seven years after it was established, the 502(e) program remains greatly underutilized. The main disincentive to operating 502(e) projects is the fact that the statute contains no separate authorization of funds specifically for these programs.²⁵ Although local projects are allowed to divert limited funds from their regular Title V operations to conduct experimental projects, they are at the same time required to maintain their authorized number of regular Title V participants.

A second disincentive to operating 502(e) projects is the significant administrative burden these projects place on the staff of Title V projects. Basic administration and operation of an experimental project requires about one person-year of effort per year. Title V projects have a median staff size of 2.5 persons. Staffing needs of 502(e) programs, with the emphasis on training and private sector placement, differ from those of Title V and 502(e) programs are often more expensive to operate.²⁶

Yet another disincentive is the lack of public recognition accorded local programs that choose to operate experimental projects; neither their national sponsors nor DOL reward their efforts. Placements under the experimental projects do not count toward meeting placement goals under Title V. It is no wonder that the vast majority of Title V slots are used for the subsidized Senior Community Services Employment Program with its lower administrative cost burden on local sponsors.

The only in-depth examination of the experimental projects is a 1986 report prepared by Centaur Associates for DOL. Although data were not uniformly available, the total number of experimental project participants was estimated to be about three percent of the total Title V enrollee population. Women made up about 70 percent of the 502(e) program enrollees. The 502(e) participants were on the whole younger and better educated than their Title V counterparts. In program year 1984-85, 47 percent of experimental project participants were between 55 and 59 years of age (as compared with 43 percent of Title V enrollees) and 64 percent had 12 or more years of schooling (as compared with 55 percent of those in Title V).²⁷

Service Levels in the Perkins Vocational Education Program

Participant characteristics of those served by Perkins funds are nearly impossible to determine because data collection is sporadic and incomplete at best and nonexistent at worst. The Vocational Education Data System has not collected data on vocational education participants since 1983. The National Center for Vocational Education Statistics has been charged with collecting the data required by section 421 of the statute. However, the Center has not yet collected any data and it currently plans to collect participant data based only on race, sex and handicapping condition. Age is not one of the factors included.

A 1989 survey of vocational education programs serving single parents and displaced homemakers ²⁸ found that 212,312 persons were enrolled in those programs in the 33 states that responded. These "sex equity" programs enroll 95 to 98 percent

women. Eleven states (representing 15 percent of the students in those programs) responded with information about age: only 20 percent of the 21,058 enrollees in those states were 45 years of age or older. The survey did not distinguish between Perkins and state-funded vocational education, a particularly critical factor since the ratio of state-to-federal funding for vocational education is nine to one.

VI. PROGRAM PARTICIPATION RESULTS FOR MIDLIFE AND OLDER WOMEN

Immediate and long-term outcomes are difficult to assess. Whether midlife and older women get jobs is only one of the critical issues; equally important is the quality of the jobs and the length of time they are retained. None of the three federal programs addresses these issues adequately. JTPA collects data on post-program placement and there is limited data on 502(e) placements; however, Perkins does not maintain data on post-program placements or outcomes in any uniform manner.

Current data collection practices obscure the issues of program drop-out and the fact that many JTPA program participants graduate without jobs.²⁹ Still unanswered by the current data is the true impact of the programs on women's economic self-sufficiency. One study of JTPA's predecessor, the Comprehensive Employment and Training Act, found that the gain in earnings for women who participated in that program was due more to increased work hours than to increased hourly wages: an estimated 78 percent of the gain in women's earnings was due to factors that increased the amount of time women were employed, whereas only 22

percent was due to increased wage rates.³⁰ None of the current programs collect data sufficient to address this issue.

Results of JTPA Participation

DOL does not require SDAs to compute wages at placement separately by gender and age, so reliable national figures are unavailable. A study done under the auspices of the Women's Action Alliance offers the most in-depth information about outcomes.³¹ That study examined program year 1988 data on job outcomes from five JTPA offices, including a total of 14,912 men and women.³² Although the study did not break out outcomes for midlife and older women, it is useful to illustrate the plight of midlife and older women as a subset of female JTPA participants as a whole.

The wage-at-placement performance standard for program year 1988 was \$4.95 an hour. The study found that women earned an average of \$4.72 upon placement whereas men earned an average of \$5.24. In addition, women had lower placement rates: 52 percent as compared with 61 percent for men. The study concluded that women participating in JTPA most often simply moved from one circumstance of poverty (unemployed) to another (marginally employed).³³ It comes as no surprise that the women in the study were placed primarily in female-dominated occupations such as clerical and health care. The lack of emphasis on nontraditional occupations or on longer training for higher skilled traditional occupations simply traps women in a poverty cycle.

Results of 502(e) Participation

Very limited data are available on outcomes for individuals enrolled in the 502(e) experimental projects. Again, the most reliable information is in the Centaur Associates report which looked at data from program years 1983 through 1985. Although Centaur's data are not disaggregated by gender, they shed light on the results of older women's participation because women make up a majority of the program population. Centaur obtained placement information on about 96 percent of the participants in the experimental projects surveyed.³⁴ Although the rates for individual sponsors varied widely,³⁵ average placement rates were slightly over 50 percent during the periods Centaur studied.

Most 502(e) placements were in the health, clerical and services occupations. Wage data available from three national sponsors indicate that just under two-thirds of those placed through the experimental projects were paid the minimum wage of \$3.35 per hour; about one-fourth received \$4.00 per hour or more. Data were insufficient to determine whether male participants predominated in the upper wage occupations.

V. POLICY RECOMMENDATIONS

Federally funded programs could dramatically improve service to midlife and older women. Options to promote equitable service range from increasing funding for portions of the existing statutes to crafting and authorizing new legislation. The options are both federal and state-based.

A. Adequate Funding. None of the programs discussed in this paper has received the funding envisioned by legislators or even the level of funding required to adequately provide services. Although Title V has enjoyed continued, widespread support and increased funding, the lack of a separate appropriation for 502(e) projects seriously hampers the ability of local programs to provide training and unsubsidized placement for older women.

Advocates' efforts to obtain additional JTPA funds for older workers have been stymied by perceptions that Three Percent Program funds were underexpended. However, this perception is inaccurate, and stems from the build-up of carryover funds from past program years rather than from an inability to spend annual allocations. Expenditure rates have increased steadily in recent years; for program year 1988, state Three Percent expenditure rates averaged 111 percent. While states are showing less and less carryover each year, those carryover funds which remain could perhaps be used to meet some of older women's unmet job-related needs identified in this paper, e.g., support services, post-program follow-up, basic skills, and pre-training counseling.

B. Language specifically targeting midlife and older women. Midlife and older women need and are eligible for the services provided by the three programs, yet they remain overlooked as a target population. This oversight is perpetuated by the lack of strong statutory language which specifically identifies midlife and older women as populations to be served. None of the three programs specifically targets midlife and older

women. Statutory language identifies either age (in the case of the JTPA Three Percent program and the (502(e) experimental projects) or female-dominated groups for service but not both. With the exception of the JTPA older worker set-aside and 502(e) programs, individuals over 45 years of age -- of either gender -- made up a very small percentage of all program participants.

When midlife and older women are a target population for service, it is generally at the discretion of state and local administrators, often spurred by local advocacy efforts. Both JTPA and 502(e) could specifically identify midlife and/or older women as target populations to be served. To enlist organizations with expertise in operating programs for older women, a competitive bid process should be used to identify local service providers, in addition to local affiliates of national Title V sponsors, to operate 502(e) experimental projects.

C. Better Coordination. Although none of the three programs emphasizes all six components critical for midlife and older women (esteem-building and accurate career information, education and basic skills, occupational skills training, support services, follow-up assistance, and targeted funding), better coordination among the three programs and between the programs and other support systems (e.g., adult education, vocational rehabilitation) would better enable midlife and older women to have access to all six components of success.

One key coordination concern is the different income eligibility criteria used for each of the three federal programs. With the exception of the 22 percent set-aside for students

living below the poverty level, income is not an eligibility criterion for participation in Perkins. Nor must dislocated workers meet income standards to be served under the Economic Development and Worker Adjustment Assistance section of JTPA. Other titles of JTPA and the 502(e) program, on the other hand, utilize very specific income criteria. Generally, except for dislocated workers, an individual must have income below 100 percent of the poverty line to participate in JTPA, while participants in 502(e) must have incomes below 150 percent of the poverty level.³⁶ JTPA does, however, contain an exception to its strict means-testing. Known as the "10 percent window," this provision allows up to 10 percent of the participants in Title IIA programs to be individuals who are not economically disadvantaged so long as they "have encountered barriers to employment" (e.g., gender or age). There is no 10 percent window for older worker programs; such a provision would similarly enable more older women in need of assistance to have access to this program.

A universal eligibility threshold of at least 150 percent of poverty would enable midlife and older women to better utilize the services of the three programs and would enable the programs to economize by sharing outreach, recruitment, and intake costs. This measure would also facilitate the movement of midlife and older women among the programs in order to meet their special employment needs. DOL encourages sponsors of 502(e) projects to coordinate with and utilize all available training; consequently, some 502(e) participants receive skills training from JTPA programs and counseling and support services from their 502(e)

program. However, because the income eligibility criteria differ for these two programs, many 502(e) participants are ineligible to receive JTPA services.¹

Operators of displaced homemaker programs and programs which serve midlife and older women all agree that confidence-building and assisted reentry are cornerstones for the successful initial and long-term employment of older women. While many older women may need a limited investment in terms of occupational training, most require this kind of supportive atmosphere in order to successfully make the transition to unassisted employment.

D. Support Services. Lack of support services is a major barrier for many midlife and older women seeking to enter or reenter the work force. More than child care assistance, many midlife and older women need access to dependent care, counseling, or assistance with transportation and other training and job search expenses. Others need literacy and basic skills training to enable them to succeed in occupational training.

All three programs allow for the provision of support services. JTPA sets a 30 percent cap on administrative and supportive services. Up to 15 percent of these funds may be used for administrative costs; this leaves 15 percent for support services. SDAs may seek waivers to increase the amount of funds spent on support services. However, the U.S. General Accounting Office found that SDAs spend much less on support services than the law allows; the national average is only 7 or 8 percent. Furthermore, few SDAs (7 percent) seek waivers to increase support services cost limitations.

The Perkins legislation, in a departure from traditional vocational education, specifically allows for the provision of support services. While the mandated set-asides under Perkins have directly funded programs for such groups as displaced homemakers, there appears to be a reluctance by some states to use vocational education funds for support services.³⁸

For example: A divorced woman in her 50's was unable to attend a local vocational education program in Illinois because she needed someone to occasionally watch her 80-year-old mother. The program had no money to help the woman meet her elder care needs.

E. Data Collection. The data collection systems used by each of the three programs are insufficient. Basic questions about how public funds are being used cannot be answered with existing data. At the minimum, these questions should be addressed: Who is being served? What services are they receiving? Did program participation make a difference? There are increasingly sophisticated projections about the jobs and work force of the future. Yet, inconsistent and insufficient data on the three programs make it impossible to determine whether they are meeting either current employment, training, and vocational education needs of midlife and older women or future labor force needs of the nation. Universal data collection and monitoring practices should be implemented immediately. In the interim, Congress should direct that a study be conducted to determine how effectively the three programs are meeting the needs of midlife and older women.

F. Federal Leadership in Knowledge Exchange. Over the last two decades and more, the employment and training community has developed and tested many models of how to serve midlife and older women. Advocates, policymakers and program operators have all contributed to a vast array of knowledge about the needs of this population and how to best meet those needs. What is lacking is technical assistance and training on how to best implement programs. The federal government could play a critical role in ensuring knowledge exchange between those who are experienced in operating successful programs for midlife and older women and those with the desire to run such programs. The Perkins Act authorized one such vehicle -- the Model Centers for Vocational Education for Older Individuals -- but that provision was never funded. The Secretary of Education should immediately request funds so that model centers can be developed and used as vehicles for information exchange.

VI. CONCLUSION

Midlife and older women's career prospects and economic well-being are of increasing importance as the nation moves forward to the year 2000. Experience has shown that programs which produce the best results are those that are customized to meet the specific needs of their target population. Most midlife and older women in need of employment, training, and vocational services are eager to build their skills and enter the work world. The investment needed to help midlife and older women become productive workers is minimal relative to the high success

rate these women demonstrate when they get the services they need. And employers who take the chance and hire them are nearly unanimous in their praise of the skills, conscientiousness, and dedication this age group brings to the work place. It would be poor public policy, as well as a waste of human capital, to ignore solutions to meeting the skill needs of midlife and older women.

ENDNOTES

(1) While midlife and older women may receive employment assistance through other federal programs, the three programs analyzed in this paper are the most relevant to older women's job training needs. Other sources of assistance include the Employment Service, which offers job search assistance to people of all ages, and the Family Security Act, aimed primarily at younger women.

(2) **The Road to Poverty: A Report on the Economic Status of Midlife and Older Women in America.** Washington: Older Women's League, 1988.

(3) Table 625. "Civilian Labor Force - Employment Status by Sex, Race, and Age: 1987." **Statistical Abstract of the United States, 1989.** U.S. Department of Commerce, Bureau of the Census.

(4) Ibid.

(5) **America's Changing Work Force: Statistics in Brief.** Washington: American Association of Retired Persons, 1988.

(6) Ibid.

(7) From 1975 to 1985, the labor force participation rate for women aged 45 to 54 increased approximately 10 percent (from 54.6 percent to 64.4 percent); it is projected to be 75.4 percent in the year 2000. During the same period, the participation rate for men aged 45 to 54 fell by a little less than one percent (from 92.1 percent to 91 percent); the rate is projected to continue falling to 90.1 percent in the year 2000. Table 621. "Civilian Labor Force and Participation Rates by Race, Hispanic Origin, Sex, and Age 1970 to 1987, and Projections, 1995 and 2000." **Statistical Abstract of the United States.** U.S. Department of Commerce, Bureau of the Census, 1989.

(8) **Heading for Hardship: Retirement Income for American Women in the Next Century.** Older Women's League, May 1990, p. 8.

(9) **Statistical Abstract of the United States, 1989.** Op.cit.

(10) **The Road to Poverty.** Op.cit.

(11) Grad, Susan. "Income of the Population 55 and Over." In Social Security Bulletin, May 1988.

(12) **Employment and Earnings.** U.S. Department of Labor, Bureau of Labor Statistics, January 1988, p. 174.

(13) Johnston, William B., and Arnold H. Packer. **Workforce 2000.** Indianapolis: The Hudson Institute, 1987, p.98.

(14) According to **Labor Market Problems of Older Workers, Report of the Secretary of Labor** (1989), four in 10 women age 55 or older had not completed high school in 1988, compared to only 1 in 10 women between ages 25 and 34. (Older men had a rate comparable to that of older women.) Only nine percent of older women had completed four years of college; this compared with 16 percent of men age 55 and older and 22 percent of young women age 25 to 34.

(15) Johnston, p. 98. Op.cit.

(16) **The Road to Poverty.** Op.cit.

(17) Harlan, Sharon L., and Ronnie J. Steinberg (Eds.) **Job Training for Women: The Promise and Limits of Public Policies.** Philadelphia: Temple University Press, 1989.

(18) "Evaluation Study of the Senior Community Service Employment Program Funded Under Title V of the Older Americans Act." A report prepared for the U.S. Department of Labor by Centaur Associates, Inc., under Contract No. 99-5-3333-77-021-01, July 25, 1986, p. 7-9. There are no comparable figures for the percent of eligibles served solely by 502(e). Perkins is not means-tested; the participation of midlife and older people in Perkins is limited because the vocational education system has not marketed to them nor structured itself to meet their needs.

(19) Sanders, Jo. **Staying Poor: How the Job Training Partnership Act Fails Women.** Metuchen, NJ: The Scarecrow Press, 1988.

(20) Beginning July 1990, cost-per-entered-employment will no longer be a national performance standard.

(21) "Data Tables for Enrollees/Terminees by Initial Program Assignment/Program Activity, Title IIA and III During January-March 1989 With Cumulative Data for July 1988-March 1989." In **JTPA Supplemental Reporting System.** U.S. DOL Contract 99-6-0584-75-083-01, Westat, Inc. Rockville, Maryland, August 1989.

(22) Alegria, Fernando L., Jr., and Ann Lordeman. **Participant Characteristics of the Job Training Partnership Act (JTPA) 3 Percent Set-aside Program for Older Individuals: Findings and Policy Implications.** National Governors' Association and National Association of State Units on Aging, May 1990, p. 3.

(23) Alegria, Fernando L. Jr., and Ann Lordeman. **Serving Older Individuals Under the Job Training Partnership Act: State Initiatives and Practices.** Washington: National Governors' Association and National Association of State Units on Aging, June 1988, p. 13.

(24) "Data Tables for Enrollees/Terminees..." Op.cit.

(25) The statute also limits the amount of funds which may be used for 502(e) projects to three percent of the excess over Title V's 1978 funding level; however, this does not represent

additional funding but only a limitation on the percentage of the sponsors' regular allocations that may be spent on experimental projects. So few sponsors apply to run 502(e) projects that the three percent limitation has not been an issue.

(26) **Report on the 502(e) Experimental Projects Funded Under Title V of the Older American Act.** Prepared for the U.S. Department of Labor by Centaur Associates, Inc., under Contract No. 99-5-3333-77-021-01, July 25, 1986.

(27) Ibid.

(28) Displaced Homemakers Network, unpublished survey data, 1989.

(29) Harlan. Op.cit.

(30) **CETA Training Programs: Do They Work for Adults?** Bloom, Howard S. and Maureen A. McLaughlin. Washington: Congressional Budget Office, July 1982.

(31) Sanders, op.cit.

(32) In addition, the study assessed the experiences of three groups: women's centers, women who had been JTPA clients, and JTPA administrators and counselors. A national survey was conducted and site visits were made to fifteen women's centers from Florida to Washington State, as well as about a hundred women's center staff members, JTPA staff, and JTPA women were interviewed. A response rate of 59 percent was achieved from the national survey. Responses represented 40 states and the District of Columbia. Women were 53 percent of the survey sample, corresponding to their proportion in JTPA nationally. The age range of female JTPA participants in the sample was 23 to 61, with the average age 39.

(33) The study calculated that a woman earning a wage for 35 hours per week and 52 weeks per year would have to earn \$6.37 per hour to pay child care costs for her son or daughter and live right on the poverty line. To pay child care costs for two children and live at the poverty line as calculated for a three-person family (\$9,056), the woman would have to earn \$9.59 an hour. Sanders, op.cit., p.117.

(34) Participant outcome data from the Centaur Associates report is based on data supplied by a very small number of national sponsors. Placement rates were supplied by three national sponsors and two states for PY 1983, seven national sponsors and eight of nine state sponsors for PY 1983-84, and six national sponsors and three of four state sponsors for PY 1984-85.

(35) Respondents' placement rates ranged from 17 to 80 percent in program year 1983, from 20 to 93 percent in program year 1983-84, and from 0 to 80 percent in program year 1984-85.

(36) One of the flexibilities in 502(e) is that experimental

projects have a bit more leeway on income eligibility than does the larger Title V program, which limits participation to individuals at or below 125 percent of the poverty level.

(37) In April 1990, the U.S. Department of Labor reversed a long-standing policy of permitting states to consider an individual aged 55 and older as a "family of one" for JTPA eligibility purposes. This reversal will probably make many older women who have little or no independent income ineligible for JTPA participation.

(38) Miller, Jill. "Displaced Homemakers in the Employment and Training System." In Harlan, op.cit., p. 159.

APPENDIX: SUMMARY DESCRIPTIONS OF THE THREE FEDERAL PROGRAMS

THE JOB TRAINING PARTNERSHIP ACT (JTPA)

The Statute: Background and Intent

Congress intended, with the passage of the Job Training Partnership Act (JTPA) (P.L. 97-300) in 1982, a total reshaping of the nation's employment and training system. Specifically, the following principles shaped the JTPA statute:

- o establishment of employment and training programs for economically disadvantaged adults and youth and those suffering multiple labor market barriers;
- o formal and widespread involvement of the private employer sector in public employment and training;
- o increased decisionmaking and oversight responsibilities for states and local service delivery areas (SDAs);
- o prohibitions against public service employment as an employment and training activity;
- o a performance-based system driven by nationally-set performance standards;
- o limitations on the portion of funds which could be spend on administrative costs and on support services; and
- o decreased dependence on welfare and public assistance and increased emphasis on private sector employment as outcomes for program participants.

Governance and Structure

JTPA is entirely federally funded. Although it is administered, nationally, by the U.S. Department of Labor, the Department exercises little oversight authority over the activities funded by the Act.

At the state level, oversight and decisionmaking authority is lodged in the governor. The governor appoints a state job training coordinating council (SJTCC) to review state job training plans and to advise the governor. One-third of SJTCC members are representatives from business and industry; at least 20 percent represent the state legislature, education, and other public agencies; at least 20 percent represent local governments;

and at least 20 percent are from the general public, including unions and community-based organizations. Besides advising the governor, the SJTCC is charged with reviewing the plans of all state agencies providing employment and training services and reviewing and making recommendations on the operation of employment and training activities in the state. The level of activity and authority exercised by the SJTCC is dependent upon the governor, the level of activism of SJTCC members, and whether or not the SJTCC's role has been codified into state law. All these factors may make the SJTCC a vehicle for assessing the level and quality of services JTPA provides to midlife and older women. In addition, advocates who serve on the SJTCC can ensure that midlife and older women's needs are considered at the state level.

Most program decisions are made at the local level, through service delivery areas (SDAs). At the SDA level, power is shared by the local government and the private industry council (PIC), appointed by the highest local elected official. Whether the local government, the PIC, or some other entity has responsibility for direct program administration varies in each SDA. JTPA created the PICs as the mechanism through which to involve the local business community in the publicly funded employment and training system. The PIC membership is multi-sector, but the majority of its members must be representatives from the private sector.

Performance Standards. A unique characteristic of the JTPA system is its reliance on nationally-set performance measures. The Secretary of Labor adjusts these measures biennially; states may modify them based upon the state's economic factors as well as the characteristics of the populations targeted for service. States offer incentive payments to SDAs that meet or surpass the standards, and can invoke negative sanctions for SDAs failing to do so. Critics suggest that the performance standards encourage program operators to enroll individuals who are less needy and easier to serve. Those individuals who need, for example, literacy and remediation, extensive esteem-building, counseling and other help are often passed over in an effort by service providers to surpass the performance standards.

Funding and State Allocations

The 1989 annual state-to-state shift of JTPA funds provides some clues to the level of funding available. Overall, JTPA suffered a 1.2 percent cut. For Title IIA, changes ranged from a 16 percent gain for Michigan to a loss of 11.08 percent for 14 states. Title III funding shifts were greater, ranging from a 36 percent gain in Georgia to a 21 percent loss in the District of Columbia. The precise impact on SDAs depends on the substate allocation process.

Although Governors may use any number of methods to allocate funds within their states, most tend to follow the formulas used by the U.S. Department of Labor (DOL). DOL's formula for allocating Title IIA funds to the states is based on three factors:

"excess unemployment" (over 4.5 percent); "areas of substantial unemployment" (over 6 percent); and poverty data. For programs operated under the Title III dislocated worker section of the statute, the factors are overall unemployment, "excess" unemployment, and long-term unemployment.

Sections of JTPA Which Are of Particular Concern to Midlife and Older Women

Three parts of JTPA are of particular interest to midlife and older women. These are:

Title IIA: the basic training title for economically disadvantaged adults and youth; this title targets services high-risk youth and to adult recipients of Aid to Families with Dependent Children (AFDC);

Three percent setaside (of IIA state allocation): provides training, job search, and placement services for economically disadvantaged individuals age 55 and above; and

Title III, or EDWAA (The Economic Dislocation and Worker Adjustment Assistance program): provides retraining and other adjustment services for workers -- regardless of income level -- who have been permanently dislocated from their jobs; eligibility can be extended to displaced homemakers under certain circumstances.

Most JTPA services are restricted to individuals who meet low income thresholds. Ownership of a residence or other assets (such as those received as part of a divorce settlement), or earnings from part-time employment (common for many displaced homemakers) may disqualify an individual from participation in many JTPA programs.

One exception to strict means-testing is the "10 percent window," a provision in section 203(a)(2) of the Act, which allows up to 10 percent of the participants in Title IIA programs to be individuals who are not economically disadvantaged so long as they have "have encountered barriers to employment." This section of the Act further mentions at least two specific groups of midlife and older women -- displaced homemakers and older workers. In JTPA's early years, many SDAs used the 10 percent window not to target the needs of specific populations, but rather as a mechanism to account for administrative errors made in certifying program participants.

THE CARL D. PERKINS VOCATIONAL EDUCATION ACT

The Statute: Background and Intent

In 1976, Congress amended the Vocational Education Act of 1963 for the first time to direct both programs and funding to eliminate sex bias and sex role stereotyping. The 1976 amendments required each state to identify a "sex equity coordinator" who would be responsible for working to eliminate the sex role stereotyping which was rampant in the vocational education system. Unfortunately, the amendments did not provide sex equity coordinators with funds or program authority to achieve the sex equity objectives of the Act.

In 1984, Congress sought to remedy this oversight and to overhaul the federal vocational education system. In October of 1984 the Carl D. Perkins Vocational Education Act (Perkins) became law (P.L. 98-524). Perkins resulted in the largest amount of federal vocational education dollars ever committed to meeting the needs of women and girls in the vocational education system. Although the federal share of vocational education funds is small compared with state expenditures, the Perkins legislation set a new tone for vocational education and focussed it on meeting the demands of the future work place. The new law broke with the past in a number of ways. Specifically, it:

- o Emphasized program improvement and innovation instead of maintenance of the status quo;
- o Expanded the pool of service providers beyond educational institutions;
- o Allowed funds to be used to provide support services;
- o Secured program funds under the authority of a state sex equity coordinator;
- o Contained targeted set-asides for particular program purposes to increase access to vocational education for individuals who have traditionally been underserved;
- o Increased the role of the private employer sector;
- o Institutionalized, to a limited degree, coordination with the employment and training system; and
- o Improved Consumer and Homemaking Education and took specific efforts to reduce the effects of sex role stereotyping in occupations, job skills, levels of competency and careers.

Governance and Structure

Control of the vocational education system is firmly anchored at the state level. Nationally, the vocational education system covers about 16,000 institutions and a conservative estimate of about 17 million students. The vocational education system and structures are so diverse that students often do not recognize they are in a vocational education institution. These institutions include comprehensive and technical high schools, technical institutes, and community colleges, among others. The state government shoulders the major share of funding for vocational education -- a nearly nine to one state/federal ratio. The vocational education system also uses a sizable share of JTPA dollars to fund its activities. State boards of education are the primary site of program authority. And, despite the catalytic role of Perkins envisioned by policymakers, federal-state roles remain largely undefined.

Funding and State Allocations

Legislators intended Perkins to expand the scope and effectiveness of vocational education. However, since the states bear the major burden of funding vocational education, it has been difficult for Perkins to change the way in which many states "do business." Perkins relies on six set-asides and a number of different targeting provisions and fiscal requirements to direct 57 percent of Basic Grant resources to students with special needs. The six set-asides are for disadvantaged students (22%), handicapped students (10%), adults (12%), single parents/homemakers (8.5%), persons in nontraditional training for their sex (3.5%), and incarcerated individuals (1%).

A bill that passed the U.S. House of Representatives in May 1989 and the U.S. Senate in March 1990* removed the four set-asides not dealing with women and retained only the sex equity and single parent/homemaker set-asides. The single parent/homemaker set-aside was renamed to explicitly include displaced homemakers. The set-asides were also reduced slightly. Funding allocations at the substate level may or may not be adequate to allow local educational institutions and/or service providers to carry out the intent of the Act. Unlike JTPA, the vocational education system is skills driven as opposed to performance standard or placement driven.

Allocation of Funds. Perkins did not specify the method which states should use to allocate the 8.5 and 3.5 percent set-asides. However, Congress did intend that these federal dollars be used to create the greatest impact on the system and to stimulate system-wide activities which would result in more equitable

* As this report was published, legislation to reauthorize Perkins was in conference committee to reconcile differences between the House and Senate bills.

services to women and girls. Most states, unfortunately, have continued their pre-Perkins practice of allocating these set-asides by formula. The result of this practice is to dilute, if not totally negate, the impact of these funds.

In states where formula allocation is used, the funds are dispersed to hundreds of educational districts and institutions. The amount received by some is often so small -- in some cases as little as \$1,200 -- that it is not possible to implement special programming or to carry out the purpose of the set-asides. Few of these dollars are used to provide any direct economic assistance to program participants. In addition to formula allocation, many states have no -- or minimal -- requirements that the funds be used to structure programs or services appropriate to recruit and serve single parents and homemakers. In North Carolina, for example, a community college can simply receive its formula allocation, implement no special programming, and ask students at the end of the year to identify whether they are homemakers or single parents. Another concern is the fact that formula allocation limits receipt of funds to schools; eliminating from participation community-based organizations and other groups which might better understand the needs of midlife and older women.

Sections of Perkins Which Are of Particular Concern to Midlife and Older Women

Sex Equity Coordinator. By far the major change brought about by Perkins was the expansion of the role of the sex equity coordinator. Title I, Part B, of the Act gives the sex equity coordinator administrative authority over the single parent/homemaker and sex equity programs.

Legislators intended that the sex equity coordinator exercise program and budget authority to bring about sex equity in vocational education. The reality has been that few sex equity coordinators have been able to exercise the authority over their funds that Congress intended. Instead, states have delegated the administrative authority to other vocational education personnel. For example, in Georgia, the sex equity coordinator has no administrative authority over any of the set-aside funds; her responsibilities are to conduct staff development and technical assistance in the schools.

Where a sex equity coordinator does have some administrative authority, state guidelines or policies have been made without approval of the sex equity coordinator which significantly reduces the coordinator's authority. In some cases state policy has directly subverted the role of the sex equity coordinator. For example, in Indiana, vocational education funds cannot be used for support services -- despite specific language in Perkins making this activity a state option. As a result of this state policy, the sex equity coordinator cannot expend Perkins dollars for support services even if she determines that this is critical to the success of women and girls in vocational education programs.

Representation on State Council. Despite a gain in the program authority of the sex equity coordinator, the 1984 Act eliminated the mandated representation of women and sex equity advocates on state vocational education councils. Instead of mandating their appointment, as specified in the 1976 Vocational Education Amendments, the Perkins Act allows individuals with "special knowledge of underserved populations" to be appointed to the council. Similar to JTPA, Perkins also institutionalized private sector involvement by requiring that a majority of the state council members be representatives of the private sector.

State Vocational Education Plan. Perkins requires that states develop two year plans on how they plan to spend federal vocational education dollars. Each state is also supposed to hold hearings on the plan in order to give advocates, education professionals and others the opportunity to comment on the plan or to bring new information forward which should be included in the development of the plan. Active participation by advocates for midlife and older women is critical to getting the needs of this population acknowledged by the state boards and included in the programming which results from the state plan.

Data Collection. Perkins required the Secretary of Education to institute a data reporting and accounting system. The Department of Education, however, has not yet completed development of a system to replace the Vocational Education Data System (VEDS). Use of VEDS was suspended in 1983 due to questions about data quality and the need for more extensive data. As a result, there is no national data on vocational education. The limited data the Department of Education obtains from states, in the form of "performance reports" have limited value. For example, states are not required to report on spending for special populations -- such as single parents and homemakers. Finally, "performance reports" are very unreliable because there are substantially differing definitions for such basic terms as "vocational education student" and many participants are double-counted or not counted at all. This data gap greatly impairs the ability of legislators and administrators to provide oversight.

Model Centers for Vocational Education for Older Individuals. Section 417 of the statute authorizes the Secretary of Education to establish model centers to focus greater attention on the special vocational education needs of older individuals and to promote their participation in vocational education. These centers could serve as a mechanism not only for the creation and implementation of new programs aimed at older workers, but could provide critical data needed to assess the impact of vocational education on this population. To date, these centers have not been funded.

TITLE V OF THE OLDER AMERICANS ACT OF 1965

The Statute: Background and Intent

Title V of the Older Americans Act of 1965, also known as the Senior Community Service Employment Programs (SCSEP), provides subsidized, temporary, minimum wage, part-time jobs in public agencies and private non-profit organizations for individuals 55 and older whose incomes are below 125 percent of poverty (P.L. 89-73, as amended). Congress passed Title V in order to help older individuals obtain more income during retirement, and to provide them an opportunity to contribute to community service projects, particularly those which provide services to older individuals.

In the last three years, the U.S. Department of Labor has begun to strongly encourage placement of program participants in unsubsidized jobs. DOL currently has set a 20 percent unsubsidized placement goal for Title V. In program year 1986, 30 program sponsors -- six national and 24 states -- met or exceeded this goal.

Governance and Structure

Title V of the Older Americans Act is administered at the national level by the Secretary of Labor; the rest of the Older Americans Act is administered by the Secretary of Health and Human Services. Seventy-eight percent of the job slots funded by Title V are administered directly by ten national sponsors: the National Council on the Aging, the National Urban League, Green Thumb, the National Council of Senior Citizens, the American Association of Retired Persons, the National Caucus and Center on Black Aged, the U.S. Forest Service, the Asociacion Nacional Pro Personas Mayores, the National Indian Council on Aging, and the National Pacific Asian Resource Center. None of the ten national sponsoring organizations specialize exclusively in the needs of older women. The remaining program slots are allocated to the states by formula and are usually administered by state agencies on aging.

Funding and State Allocations

Title V's appropriation was more than three times as large as the \$104 million in JTPA IIA (which includes the Three Percent Set-Aside) in program year 1987.

Sections of Title V Which Are of Particular Concern to Midlife and Older Women

Section 502(e). A lesser-known program also authorized by Title V is the Section 502(e) experimental projects. The purpose of these projects is to assure second career training and the placement of eligible Title V participants into jobs in the private business sector. More emphasis has been given to this program in recent years. In contrast with the "regular" Title V program, 502(e) programs can pay participants more than the federal minimum wage, can subsidize a greater number of hours per week, and offer greater flexibility in the income eligibility requirements for program participants. This section of the Act also encourages training to help participants meet the skills needs of private sector employers. In addition, 502(e) enrollees may receive training through JTPA with the fees paid for by the Title V program. Another key distinction, between the 502(e) and regular Title V programs, is the fact that 502(e) enrollees may have incomes of up to the intermediate income as reported in the BLS Retired Couples Budget (150-165 percent of poverty), as opposed to 125 percent for Title V and 100 percent for JTPA.

There is no separate appropriation for 502(e) programs; sponsoring programs must divert a portion of their Title V grant to run these training-oriented programs. In addition, those programs which choose to run 502(e) projects must also meet their slot goals for their Title V grant. These challenges cause many programs to decide against operating 502(e) projects.



Older Women's League
730 11th Street NW
Suite 300
Washington, DC 20001